

CDE DAIRY MARKETS & MANAGEMENT UPDATE

All prices — JUNE 21, 2023 — except where noted

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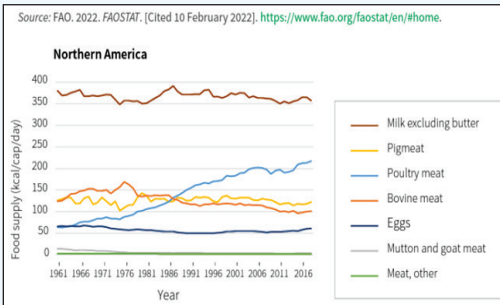
International Report says 'Dairy critical to health': The United Nations (UN) is a global alliance whose objective is to broker and secure peace and protect human and international rights. The UN is made up of 193 member countries which includes the U.S. Collectively, UN nations cover roughly 89% of the inhabitable land area and represent more than 99% of the world's population. Late last year, the UN's Committee on Agriculture requested that the Food and Agriculture Organization (FAO), another multi-national organization within the UN, produce a global assessment to determine the contribution of livestock and livestock products to food security, nutrition, and healthy diets. The report was derived from an extensive meta-analysis that started with the identification of more than 1,300 scientific reports potentially related to livestock derived food products. The FAO report was recently released and underscores the importance of milk and dairy products to the global population in all life stages from prenatal to old age. The nearly 300-page include an analysis of many other livestock derived food products, can be found at www.fao.org/3/cc3912en/cc3912en.pdf

The FAO report states that, "Across all life course phases, there is a stronger evidence base for the relation between milk and dairy products and human health than there is for other terrestrial animal source foods." Since the goal of the report was to analyze the importance of livestock, aquatic food sources were not included in the analysis. According to the FAO report, numerous benefits are seen from populations that consume milk and dairy products. Starting with pregnancy, dairy consumption not only provides the pregnant woman with the nutritional benefits of milk, but the fetus also receives benefits. Dairy consumption during pregnancy leads to healthier birth weights and may also benefit birth length and fetal head circumference.

From birth through adolescence, consumption of milk and dairy products is associated with healthy growth, proper immune function, proper reproductive maturation, and normal cognitive development and neuroplasticity (ability of the nervous system to change its activity in response to stimuli). Furthermore, evidence suggests that schooled children who consume milk and dairy products — compared to

children who do not — have increased height and reduced incidence of overweight and obesity. In adults, there is strong evidence that milk and yogurt consumption is associated with reduced risk of "all-cause" mortality, hypertension, stroke, type 2 diabetes, colorectal cancer, breast cancer, obesity, osteoporosis and fractures. For older adults, 65 years and older, dairy consumption is linked to better bone health, memory and cognitive preservation, and better immune function. Other evidence suggests that dairy consumption among senior citizens has "mitigating impacts" on muscle loss, fractures, frailty, Alzheimer's disease and broader forms of dementia.

It has been known for a long time that milk and dairy products are powerhouse foods that provide nine essential nutrients: protein, calcium, phosphorus, vitamin A, vitamin D, vitamins B2, B3, B5, and B12. Recent research has given milk and dairy products the ability to claim four additional essential nutrients, including iodine, potassium, selenium, and zinc. Milk contains a total of 13 essential nutrients. Until the recent FAO report, no international group that I am aware of has reported the importance of milk and dairy products to the health of the world population. The FAO report maintains the position that its member nations should adjust national dietary guidelines to include an adequate amount of milk and dairy products, including all fat levels. With so much pressure across the world to limit livestock production, the FAO report gives justification for its continuation because livestock food sources are essential to the health of a growing world.



Prices change daily. This market information is an example for educational purposes. The market data below are compiled weekly by Farmshine, via CME & USDA reports

CME DAILY FUTURES & OPTIONS TRADING — JUNE 21, 2023 AT THE CLOSE

*AVG = Average basis for North-East and Mid-East	JUN-23	JUL-23	AUG-23	SEP-23	OCT-23	NOV-23	DEC-23	JAN-24	FEB-24	MAR-24	APR-24	MAY-24	TREND		
CLASS III MILK FUTURES (\$/CWT) vs. wk ago: Jun23 dn \$0.10, Jul23-Mar24 up \$0.15-0.35, Apr-May24 up \$0.10-0.15.	14.95	15.78	16.63	17.65	18.20	18.46	18.28	18.06	18.05	18.10	18.00	18.00	12-Month Avg. 17.51↑↑		
CLASS IV MILK FUTURES (\$/CWT) vs. wk ago: Jun-Jul23 steady, Aug23-Jan24 down \$0.10-0.20, Feb24 down \$0.20, Mar-May24 gen'l steady	18.11	17.87	17.85	18.15	18.52	18.70	18.72	18.55	18.55	18.74	18.55	18.63	12-Month Avg. 18.41↓↓		
*MARGIN = Milk Price over Feed Cost per cwt.	15.00	15.75	16.50	17.50	18.25	18.50	18.25	18.00	18.00	18.00	18.00	18.00	18.00		
MILK BASIS (\$/CWT) — 2017-22 PA BASIS AND AVG PA/NY/VT/OH — YOUR INDIVIDUAL BASIS WILL VARY (MAILBOX - CLASS 3)	1.58	0.99	1.03	0.95	0.79	0.60	0.79	1.17	0.62	1.53	2.29	1.82			
*AVG 1.45 1.25 1.31 1.15 0.67 0.74 1.38 0.85 1.67 2.55 2.15 1.66															
DMC OFFICIAL GROSS MARGINS per cwt(USDA All-Milk, com, alfalfa & Ill. soybean, feed for ALL CLASSES of dairy cattle on farm) Updated with NEW prem. alfalfa feed cost															
DMC FEB-22 MAR-22 APR-22 MAY-22 JUN-22 JUL-22 AUG-22 SEP-22 OCT-22 NOV-22 DEC-22 JAN-23 FEB-23 MAR-23 *APR-23	10.98	11.55	12.29	12.51	11.92	9.92	8.08	8.62	10.71	10.89	9.76	7.94	6.19	6.08	*5.84

U.S. AVG PREMIUM ALFALFA & ALFALFA/ GRASS HAY 20-22% CP - Source: USDA Monthly National Dairy Comprehensive Report	FEB-22	MAR-22	APR-22	MAY-22	JUN-22	JUL-22	AUG-22	SEP-22	OCT-22	NOV-22	DEC-22	JAN-23	FEB-23	MAR-23	APR-23	*MAY-23
	253.80	278.02	280.00	322.00	321.17	312.50	308.17	290.70	300.10	289.50	296.50	266.60	297.25	277.00	290.00	*292.86
U.S. AVG. BRED COWS & HEIFERS (3rd trimester) per head as reported by USDA Monthly National Dairy Comprehensive Report	1237	1253	1390	1278	1184	1350	1407	1265	1310	1290	1300	1250	1352	1342	1330	*1400
U.S. AVG. FRESH COWS per head as reported by USDA Monthly National Dairy Comprehensive Report	1293	1486	1468	1496	1341	1571	1417	1384	1701	1526	1531	1436	1487	1493	1544	*1469

CORN FUTURES (\$/BU)	JUL-23	SEP-23	DEC-23	MAR-24	MAY-24	JUL-24	SEP-24	DEC-24	MAR-25	MAY-25	JUL-25	SEP-25	TREND
	6.710	6.234	6.286	6.356	6.370	6.344	5.776	5.644	5.714	5.372	5.746	5.244	↑↑
WEEK AGO	6.076	5.450	5.492	5.582	5.626	5.634	5.240	5.172	5.246	5.274	5.282	4.912	

SOYMEAL FUTURES (\$/TON)	JUL-23	AUG-23	SEP-23	OCT-23	DEC-23	JAN-24	MAR-24	MAY-24	JUL-24	AUG-24	SEP-24	OCT-24	TREND
	439.2	437.3	435.2	432.2	432.6	430.5	421.8	415.5	414.6	410.1	402.6	394.0	↑↑
WEEK AGO	389.7	384.8	378.9	374.4	374.6	372.6	366.5	363.3	363.7	362.3	360.2	357.5	

*NEW PA MILK MARGIN & IOFC-LATEST PSU VALUES - *APR 2023	FEED COST (\$/CWT milk)	IOFC (\$/COW @ 75 lbs milk)	PA MILK MARGIN (\$/CWT milk)	CME DAIRY CASH-SETTLED FUTURES (\$/LB)	JUN	JUL	AUG	SEP	OCT	NOV	DEC	SPOT CASH	TREND
*APR (estimated)	*9.28	*8.87	*15.86	NFDM	1.165	1.165	1.148	1.165	1.193	1.220	1.238	1.1500	↓↓
PREV MO	9.67	9.02	16.28	WHEY	0.324	0.301	0.292	0.305	0.325	0.326	0.341	0.2675	↓↓
YR AGO	8.27	13.90	18.80	BUTTER	2.438	2.380	2.385	2.415	2.452	2.475	2.440	2.3475	↓↓
Covers ONLY lactating feed, based on 75 lb herd avg, Buff., NY soy price				CHEESE	1.576	1.679	1.764	1.863	1.909	1.938	1.910	See Below	↑↑
				CME SPOT CHEESE: BARRELS 1.5100 / 40 LB BLOCKS 1.4000								↓ / ↑↑	

**USDA FEB-23 NEW *ALL-MILK BF *MAILBOX	CL I ADV	CL II	CL III	CL IV	ALL-MILK-U.S.	ALL-MILK-PA	WEIGHTED AVG. 4-WK	MAY 1-27, 2023	*MAY 2023 COMPONENTS	
*FL \$26.00 3.78 \$25.08	18.01	19.11	16.11	18.10	20.70	21.10	1.6600	0.2003	1.4597	PROT 1.8002
*SE \$25.60 3.87 \$23.56					4.12F	4.07F	2.4483	0.1715	2.2768	B.FAT 2.7572
*APP \$25.30 4.04 \$22.93							1.1505	0.1678	0.9827	N.FAT 0.9729
*NY \$22.50 4.17 \$21.78							0.3813	0.1991	0.1822	OTHER 0.1877
*MO \$22.70 4.14 \$21.75										
*Prest \$22.70 4.14 \$21.75										
*IL \$21.80 4.22 \$21.13										
*WV \$23.40 4.35 \$21.07										
*IN \$22.70 4.13 \$20.92										
*CA \$22.20 4.18 \$20.87										
*OH \$22.60 4.12 \$20.82										
*U.S. \$23.10 4.23 \$20.68										
*PA Western PA only \$20.62										
*MI \$20.40 4.19 \$20.22										
*MN \$20.80 4.53 \$20.03										
*TX \$21.30 4.35 \$19.75										
*NE \$20.10 4.32 \$19.72										
*MI \$21.20 4.12 \$19.52										
*IA \$19.60 4.39 \$19.40										
*NM \$19.20 4.04 \$18.13										

CATTLE - DAIRY PURPOSES(\$/HD) NORTHEAST (Avg June 14, 2023 New Holland, PA) *Receipts up 27% f/year ago - 62% fresh cows, balance bred/springing cows - NO heifers	COWS: Fresh	Bred	Springing	*HEIFERS: Bred	Springing	Beefx	Open:	300-600 lbs Beef X	600-900 lbs Beef X	900-1100 lbs Beef X	BULLS(800-1300lbs)
	2075	1985	1985	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
WEEK AGO COMPARISON	2000	1750	2210	1600	1550	N/A	575	N/A	925	N/A	1050
FED HOLSTEIN STEERS (\$/CWT LIVELINE)											
Choice & Prime 1250-1550 lbs light test								135.00	450	290.00	130.00
BULL CALVES: No. 1 & 2, 90-130 lbs								305.00	545	290.00	160.00
70-85 lbs								285.00	510.00	285.00	165.00

Average to high dressing

Premium White	Breakers	Boners	Lean
106.00	93.50	83.60	
104.50	92.35	88.85	
93.50	85.00	73.25	

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